AMENDED IN ASSEMBLY MAY 27, 2011 AMENDED IN ASSEMBLY APRIL 28, 2011 AMENDED IN ASSEMBLY MARCH 21, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 493

Introduced by Assembly Member Perea (Coauthors: Assembly Members Garrick, Hagman, Jeffries, Mendoza, Portantino, and Solorio)
(Coauthor: Senator Runner)

February 15, 2011

An act to add Section 10072.5 to the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

AB 493, as amended, Perea. Electronic benefits transfer cards: use restrictions.

Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program, under which each county provides cash assistance and other benefits to qualified low-income families.

Existing law provides for the federal Supplemental Nutrition Assistance Program (SNAP), formerly the Food Stamp Program, under which nutrition assistance benefits are provided to the state by the federal government and are distributed to eligible households by each county. California's SNAP program is known as CalFresh.

Existing law authorizes a county to elect to deliver CalWORKs and SNAP benefits through the use of an electronic benefits transfer (EBT) system. Existing law specifies criteria for the development and

-2-**AB 493**

administration of the EBT system, including issuance to a recipient of an EBT card.

This bill would require the EBT system to prevent use of EBT cards by recipients to purchase alcohol or tobacco products, or to access automated teller machines located in gambling establishments and adult entertainment establishments, except to the extent prohibited by federal law. The bill would specify that it would not be construed to prohibit the use of an EBT card to access SNAP benefits, as authorized by federal law.

This bill would impose additional duties on counties administering the CalWORKs program with respect to EBT card issuance and use, thereby imposing a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 10072.5 is added to the Welfare and 1 Institutions Code, to read:
- 3 10072.5. (a) Except to the extent prohibited by federal law, the electronic benefits transfer system designed and implemented
- pursuant to this chapter shall prevent a recipient from using the electronic benefits transfer card to do either of the following:
 - (1) Purchase alcohol or tobacco products.

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- (2) Access automated teller machines located in gambling electronic benefits transfer card to access automated teller machines located in gambling establishments and adult entertainment establishments.
- 12 (b) Nothing in this section shall be construed to prohibit the use 13 of an electronic benefits transfer card to access federal 14 Supplemental Nutrition Assistance Program (SNAP) benefits in 15 any manner authorized by federal law.

-3- AB 493

- 1 SEC. 2. If the Commission on State Mandates determines that
- this act contains costs mandated by the state, reimbursement to
 local agencies and school districts for those costs shall be made
- 4 pursuant to Part 7 (commencing with Section 17500) of Division
- 5 4 of Title 2 of the Government Code.